

## Department of Justice

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## JUSTICE DEPARTMENT RECOMMENDS APPROVAL OF VERIZON'S APPLICATION TO PROVIDE LONG DISTANCE SERVICES IN MAINE

WASHINGTON, D.C. - The Department of Justice today recommended that the Federal Communications Commission (FCC) approve Verizon's application to provide long distance services in Maine. The Department concluded in its evaluation that Verizon has generally succeeded in opening its local markets to competition for all modes of entry.

"Conditions in Maine local telecommunications markets now appear favorable to fostering competition," said Charles A. James, Assistant Attorney General in charge of the Department's Antitrust Division. "Competitors have made progress in penetrating the business market in Maine, and the Department believes there are no material obstacles to residential competition in Maine created by Verizon."

The Department provided its competitive analysis in an evaluation of Verizon's application to provide long distance services in Maine under Section 271 of the Telecommunications Act of 1996.

Since the break-up of the integrated Bell system as part of the AT&T divestiture, the independent Bell Operating Companies, or BOCs, have been barred from providing long distance services in their respective regions, first as part of the divestiture decree, and now under the terms of the Telecommunications Act. Under Section 271 of the Act, a BOC, such as Verizon, may not provide in-region long distance services until it demonstrates to the FCC that it has met

a variety of legal requirements designed to open the local telecommunications markets in a particular state to competition.

In considering whether to approve a BOC's application for long distance authority in a particular state, the FCC must consult with the Department of Justice and give "substantial weight" to its assessment of competitive conditions and whether the BOC should be allowed to provide in-region long distance services.

Verizon filed its application with the FCC on March 21, 2001. Under the terms of the Act, the FCC must approve or deny the application within 90 days. A copy of the Department's evaluation will be available at: <a href="http://www.usdoj.gov/atr/public/comments/sec271/sec271.htm">http://www.usdoj.gov/atr/public/comments/sec271/sec271.htm</a>.

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